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The Arizona Treasure Territory Tourism Investment Strategy: Program Overview

Prepared for

CAAG

Central Arizona Association of Governments

In cooperation with:

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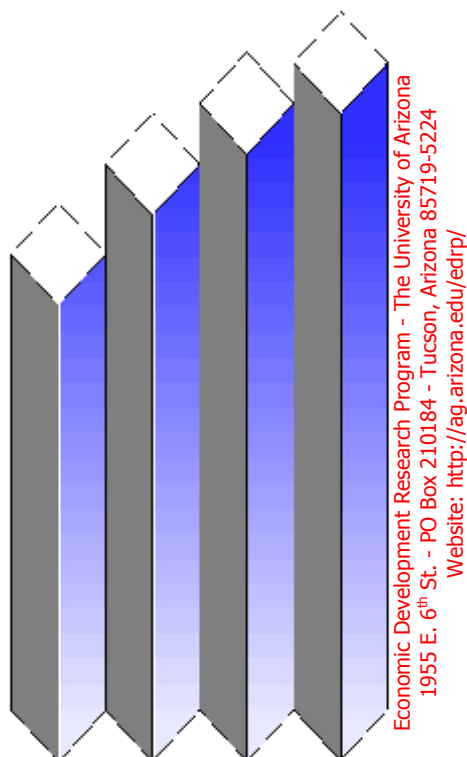
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Technical and Management Assistance Report
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INTRODUCTION

The impact of tourism on the State of Arizona's economy is significant. In the year 2000, 29.49 million visitors traveled to Arizona, generating an estimated \$13.76 billion of total direct spending and supporting over 380,000 tourism-related jobs in the state². The importance of tourism in Arizona's rural regions has become even more pronounced over the past thirty years as the economic vitality once provided by traditional resource extraction-based economic activities such as copper mining and lumber harvesting have diminished or dissipated altogether.

What's more, while the Phoenix and Tucson metropolitan areas have received extensive attention in terms of being marketed as tourism destination spots, rural regions have been described by some as the "red-haired stepchildren" of the state when it comes to tourism promotion efforts. However, the state's rural regions have much to offer tourists in the ways of natural beauty, cultural heritage, history, and recreation. A few rural regions of Arizona, such as the White Mountains, have already utilized these resources to their benefit and have developed a strong and diverse tourist base.

All of these factors appear to have been influential in the genesis of the "Arizona Treasure Territory", a moniker used to describe an area within Pinal and Gila Counties. The Treasure Territory was established in 2000 as part of a tourism marketing program and was conceived in order to promote increased tourism expenditures in the region and enhanced investments in establishments catering to tourists.

²This information can be found in the Arizona Office of Tourism's 2000 Statistical Report on the World Wide Web at www.azot.com/

The University of Arizona's Economic Development Research Program became involved in looking at the Treasure Territory in the spring of 2002 through a request for information from the Central Arizona Association of Governments (CAAG). Specifically, the leadership of CAAG wanted to know about the scope of work, the geographic extent, and about the future prospects of the Arizona Treasure Territory program. Finally, and perhaps most importantly, CAAG had a desire to better understand how the program fits into its region-wide tourism development efforts, and how they might be able to complement or enhance the efforts currently taking place by the Treasure Territory partners.

This report will summarize what the Arizona Treasure Territory is, provide an overview of the partners involved and history of the program, look at outcomes associated with the public relations efforts, and conclude with future prospects of the territory and how it fits in with other tourism-promotion efforts in the CAAG region.

THE ARIZONA TREASURE TERRITORY

The Arizona Treasure Territory consists of a 60-mile stretch along U.S. Highways 60 and 70 in central Arizona (Figure 1). The territory runs through parts of Pinal and Gila Counties. The western end of the region is anchored by Apache Junction while the eastern end consists of the San Carlos Apache Reservation. The populations for the various communities in the territory are shown in Table 1.



Superstition Mountains

Apache Junction is a part of the Phoenix metropolitan area and rests in the shadow of the Superstition Mountains. The community is closely associated with the mountains and the gold mining mystique that surrounds it. The Lost Dutchman Mine and the Goldfield ghost town are representative of this.

Figure 1. Map of the Arizona Treasure Territory

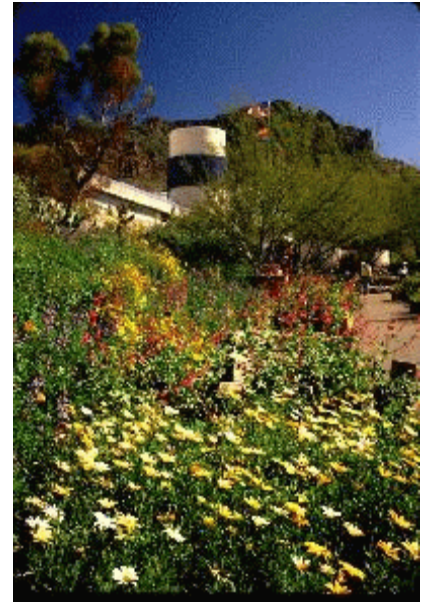


Source: 2001 Microsoft Streets and Trips

Table 1. Population of Communities within the Treasure Territory

Community/Reservation	Population
Apache Junction	31,814
Globe-Miami Area	13,910
San Carlos Apache Tribe	9,385
Superior	3,254
Total	58,363

Approximately 30 miles east of Apache Junction on U.S. Highway 60 is the Boyce Thompson Arboretum State Park, which is Arizona's oldest and largest botanical garden. The arboretum showcases plants from various deserts around the world.



Boyce Thompson Arboretum



Entering Old Town Superior

The Town of Superior is about five minutes by automobile beyond the arboretum and is surrounded by

spectacular mountains. At one time, Superior was home to silver and copper mining operations, but now

has a burgeoning arts and movie-making scene.

The Globe-Miami area is located another 20 miles east of Superior in the Cobre Valley. The Globe-Miami area is rich in history and architectural style and possesses a well-established copper mining tradition.



Downtown Globe

Source: These data are drawn from the 2000 Census. We obtained these figures from the Arizona Department of Economic Security website at www.de.state.az.us/. Please note that the Globe-Miami area population includes the population for Globe (7,486), Miami (1,936), and the Central Heights-Midland City (2,694) and Claypool (1,794) census districts.

About five miles east of Globe on U.S. Highway 70 is the San Carlos Apache Reservation. The reservation has a diverse topography, including a part of the scenic Salt River Canyon, and is home to a cultural center in Peridot and the Apache Gold Resort Casino.



Apache Gold Casino located on the San Carlos Apache Reservation

PROGRAM PARTNERS AND HISTORY

Prior to the official beginning of the Arizona Treasure Territory in 2000, the Greater Globe-Miami Chamber of Commerce partnered with the Pete Klute Communications public relations firm in 1995.

Meanwhile, in the late 1990's, an active program evolved within the Arizona Office of Tourism. This program ultimately came to be known as "TEAM", or "Teamwork for Effective Arizona Marketing". TEAM offers matching grants to destination marketing organizations and tourism-oriented non-profit organizations and associations throughout Arizona. After the Globe-Miami Chamber became aware of the TEAM matching grant program, they spearheaded an effort to bring together a regional tourism promotion partnership. Promoting as a region versus an individual community made sense for a number of reasons: First, it could potentially bring in more tourists in conjunction with regional



Globe-Miami Chamber of Commerce



Apache Junction Chamber of Commerce



Superior, Arizona

tours with several communities being highlighted. It could also improve the possibility of convincing tourists to stay overnight in one of the communities, bringing more tourist dollars to lodging and eating establishments among others. Finally, in terms of a grant application to TEAM, it became explicit at some stage that the opportunity for grant funding improved if a region applied for a matching grant

rather than an individual municipality or entity.

Thus, a partnership was bridged between the Globe-Miami Chamber, the San Carlos Apache Tribe, the Apache Junction Chamber of Commerce, the Superior Chamber of Commerce, and ultimately Pete Klute Communications. Together, they coined a name for the region, "The Arizona Treasure Territory," developed a plan and submitted a grant proposal. The Arizona Office of Tourism accepted the proposal and provided a \$15,669 matching grant for the newly dubbed territory for fiscal year 2000-2001³. The grant funds for the Treasure Territory public relations program were used for press releases, stories, tip sheets and familiarization tours.

The same partnership applied for a similar grant for fiscal year 2001-2002, although at a reduced amount from the previous year. The partners contributed a total of \$7,000 and were awarded a \$5,200 matching grant from TEAM. Meanwhile, the Boyce Thompson Arboretum became an ancillary partner in the program. Their involvement however did not include financial support.

The partners opted not to renew for a grant application for fiscal year 2002-2003. The grant application was due on March 29th of this year. The primary reason cited was the difficulty involved in obtaining funding for this particular program.

³The fiscal year for the Treasure Territory Grant was between July 1 and June 30.

PROGRAM OUTCOMES

The primary partners involved in the Arizona Treasure Territory have mixed views regarding the success of the public relations program. Most of the partners felt the program has been successful in that the marketing efforts helped bring a measure of name recognition to the area. One partner felt the program was successful initially, but ultimately became a tough sell in their particular community because the community did not see the value in it. On the other hand, one of the partners felt the program has not been successful in getting publicity for the area. To make it more effective, this partner thought that providing a more “hands on, touchy, feely” approach would have accomplished more in promoting the territory. A website and brochure was mentioned by more than one partner as potential ways of making the promotional program more user friendly and accessible.

One of the goals outlined at the start of the program was to bring in more tourists to the area. Again, there were a range of responses from the primary partners involved in the study. Interestingly, there appeared to be a correlation between program success and distance from the Phoenix metropolitan area. Apache Junction felt the program had not brought in more tourists and Superior was not certain whether it had or not. Conversely, San Carlos felt the program had been effective and Globe-Miami felt that it had been successful in bringing in more tourists at the outset.

CONCLUSIONS AND FUTURE PROSPECTS

The current promotional program of the Arizona Treasure Territory will draw to a close at the end of June 2002. There have been mixed reviews as to its level of success and effectiveness, but there remains seeds of hope that it can be continued in some form or another. Klute Communications feels that the benefits of the two year promotional program are just now beginning to come to fruition for these communities in terms of name recognition. The idea of promoting a region to tourists appeals to all of the partners we talked to – there is a general sentiment that working collaboratively and pooling resources with regards to tourism efforts is beneficial to all involved. There is also a desire by a couple of the partners to continue promoting the Arizona Treasure Territory independently once the matching grant funding concludes.

If the Arizona Treasure Territory continues independently or renews its relationship with the Arizona Office of Tourism and the grant funding program through TEAM, we believe the following steps would be wise:

1. Incorporate a broader area for promotion. At the present time, the territory essentially consists of the 60 mile stretch of highway that runs between Apache Junction and the Apache Gold Casino. While there are merits to promoting an individual route, we believe it would benefit the entire territory to incorporate the lakes and Tonto National Monument along the Apache Trail as well as the spur of U.S. Highway 89 that includes Florence. With these additional recreational, historic and cultural heritage sites included, we see the Arizona Treasure Territory as being even more well-rounded in terms of what it can offer a tourist than it already is.
2. Involve more partners in the process. Including additional partners who have experience and knowledge of tourism and economic development issues within

the region will help enhance tourism promotion and implementation in the territory. Bringing in new partners such as the Pinal County Visitor Center, the Central Arizona Association of Governments, the Southern Gila County Economic Development Foundation, and local businesses will help expand the financial capabilities to promote and draw tourists into the area. Additional perspectives and ideas will also enhance the creative capabilities of promoting the Arizona Treasure Territory.

3. Incorporate additional tools in promoting tourism. The feedback we received from the partners involved in the program, including that of Pete Klute Communications, helped lead us to believe that the following would be smart directions to take in terms of promoting the Arizona Treasure Territory. Product development at the local level such as walking tours, written histories, and map production would improve upon the current tourist infrastructure that exists. Website creation and development would benefit the area not only in terms of name recognition, but would provide the potential to reach a very large constituency of tourists. Organized bus tours that have 2 day itineraries covering the area could bring in more overnight stays to the area, particularly benefitting lodging and eating establishments within the territory. Finally, a brochure detailing the Treasure Territory would be another useful tool at touting what the area has to offer and has far-reaching capabilities.

The number of tourists who visit Arizona on an annual basis, combined with the tourist attractions the Treasure Territory has to offer leads us to believe that continuing to promote the region as a tourist destination would be economically viable, complementary, and beneficial to the communities within this stretch of central Arizona.

Appendix A

Arizona Treasure Territory Interview

Economic Development Research Program The University of Arizona

We are doing a study in cooperation with CAAG (Central Arizona Association of Governments) that is taking an initial inventory of the partners in the Arizona Treasure Territory program and gathering information on the nature and extent of each participant's participation. We would like to get a sense of what this program has done or can do to complement and enhance other region-wide tourism projects. Thank you for your time!

1. What has been your role and history with the project?
2. Do you feel the program has been successful? What, if anything could have been done to make it more successful?
3. How has your community and tourists responded to your efforts?
4. We have heard that this is the last year of this publicity plan – do you see a continuation of this publicity campaign or a different spin on it?
5. Who, if anyone else, would you like to see get involved in tourism promotion in the region?
6. How have the funds in your investment of this plan been used?
7. One of the goals from our understanding is that this promotion was to bring in more tourist – has this goal been achieved?
8. Do you have any other thoughts or observations you would like to add regarding the Arizona Treasure Territory?